

INDEPENDENT AUDITOR'S REPORT

To the Members of Nykaa Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Nykaa Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Income and Expenditure, the Statement of Cash Flows and the Statement of Changes in Equity, for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and nil profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We did not receive such other information, hence we have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We conduct our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from



error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the company.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The Company being a Section 8 Company is eligible for the exemption from reporting on Internal Financial Controls Over Financial Reporting as required under Chapter X, Clause (i) of the sub-section (3) of Section 143 of the Companies Act as per the notification G.S.R. 583 (E) issued by MCA dated 13th June 2017. Hence, reporting on Internal Financial Controls Over Financial Reporting is not required.
- (g) The Company has not paid any remuneration to its directors during the year. Accordingly, the provision of Section 197 of the Act is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations provided to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the



understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year. So compliance with respect to section 123 of the Act is not applicable.

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No. 109818W



A. N. Shah
Partner
Membership No. : 042649
UDIN : 23042649BGWPLS5169
Place : Mumbai
Date : May 19, 2023

Nykaa Foundation**(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)**

Balance sheet as at March 31, 2023

Particulars	Notes	As at March 31, 2023
Assets		
Current assets		
Financial assets		
Cash and cash equivalents	4	3.50
Total current assets (A)		3.50
Total assets		3.50
Equity and liabilities		
Equity		
Equity share capital	5	1.00
Other equity	6	-
Total equity (A)		1.00
Liabilities		
Current liabilities:		
Financial liabilities		
Other Financial Liabilities	7	2.50
Total current liabilities (B)		2.50
Total equity and liabilities (A+B)		3.50
The accompanying notes are an integral part of the Financial Statements		

As per our report of even date
For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No. 109818W



A. N. Shah
Partner
Membership No. 042649

Date: May 19, 2023



For and on behalf of the Board of Directors of
Nykaa Foundation



Sanjay Nayar
Director
DIN : 00002615

Date: May 19, 2023



Adwaita Nayar
Director
DIN : 07931382

Date: May 19, 2023



Nykaa Foundation
(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Statement of Income and Expenditure for the period June 08, 2022 to March 31, 2023


Particulars	Notes	For the period June 08, 2022 to March 31, 2023 (Refer note 16)
Income:		
Donation	8	125.09
Total Income from Operations		125.09
Operating Expenses:		
Donation		123.59
Other Expenses	9	1.50
Total Expenses		125.09
Excess of income over expenditure before tax		
-		
Tax expense:		
Current tax		-
Deferred Tax		-
Excess of income over expenditure after tax		
-		
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement gain/(loss) of defined benefit liability		-
Income tax effect on above		-
Other comprehensive income for the year, net of tax		-
Total comprehensive (loss) for the year		-
Earnings per share of face value Rs. 10/- each		
Basic	10	-
Diluted	10	-
The accompanying notes are integral part of the financial statements		

As per our report of even date
For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No. 109818W


A. N. Shah
Partner
Membership No. 042649

Date: May 19, 2023

For and on behalf of the Board of Directors of
Nykaa Foundation


Sanjay Nayar
Director
DIN : 00002615

Date: May 19, 2023


Adwaita Nayar
Director
DIN : 07931382

Date: May 19, 2023



Nykaa Foundation
(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Statement of Changes in Equity for the period June 08, 2022 to 31 March 2023

a. Equity Share Capital:

Particulars	No. of shares	Amount
Issued during the period	10,000	1.00
As at March 31, 2023	10,000	1.00

b. Other Equity :

For the year ended 31 March 2023

Particulars	Reserves & Surplus		Total other equity
	Retained Earnings	Other Comprehensive Income (OCI)	
Net (Loss) for the period	-	-	-
Other comprehensive income	-	-	-
Total Comprehensive income	-	-	-
As at March 31, 2023	-	-	-

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No. 109818W

V. C. Shah
A. N. Shah
Partner
Membership No. 042649

Date: May 19, 2023



For and on behalf of the Board of Directors of
Nykaa Foundation

Sanjay Nayar
Sanjay Nayar
Director
DIN : 00002615

Adwaita Nayar
Adwaita Nayar
Director
DIN : 07931382

Date: May 19, 2023



Nykaa Foundation**(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)**

Statement of Cashflows for the period June 08, 2022 to March 31, 2023

Particulars	For the period June 08, 2022 to March 31, 2023 (Refer note 16)
Cash Flow from Operating Activities	
Excess of income over expenditure before tax as per statement of Income and Expenditure	-
Adjustment to reconcile excess of income over expenditure before tax to net cash flows	
Working capital Adjustments:	
Increase/ (Decrease) in other financial liabilities	2.50
Cash generated from Operations Before Taxes	
Less:- Payment of Taxes	-
Net Cash from Operating Activities (A)	2.50
Cash Flow from Investing Activities	
Net Cash from Investing Activities (B)	-
Cash Flow from Financing Activities	
Proceeds from issue of share capital	1.00
Net cash flows from financing activities (C)	1.00
Net increase in Cash & Cash equivalents (A+B+C)	3.50
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the year	3.50
Components of Cash and Cash Equivalents	
Cash and cash equivalent (Refer note 4)	3.50
Total cash and cash equivalents	3.50

Note:

1. The above Statement of Cashflow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IND AS) 7: Statement of Cash Flows

The accompanying notes are integral part of the financial statements

As per our report of even date

For V. C. Shah & Co.

Chartered Accountants

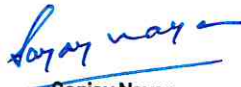
ICAI Firm Registration No. 109818W

**A. N. Shah**

Partner

Membership No. 042649

Date: May 19, 2023

**For and on behalf of the Board of Directors of
Nykaa Foundation****Sanjay Nayar**

Director

DIN : 00002615

Date: May 19, 2023

Adwaita Nayar

Director

DIN : 07931382

Date: May 19, 2023



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Notes to Financial Statements for the period June 08,2022 to March 31, 2023

1. Corporate Information

Nykaa Foundation ("The Company"), is a Company limited by Shares registered under section 8 of the Companies Act, 2013. The Company is registered with the Registrar of Manesar on June 8, 2022; the main objects of the Company are as follows:

- a. The Company aims to create a holistic and universally accessible ecosystem for Education, Child and Women Empowerment, Gender Equality, Poverty, Malnutrition in rural area or slum areas for underprivileged and marginalized sector of the society. The Company enables the delivery of a variety of services and innovations to people in need across the nation. The Company is a progressive and affirmative for social upliftment by spreading education, skill for woman, child, improving quality of education through techniques such as Digital Literacy, economic literacy, skill-development across India.
- b. The Company provides to raise fund if require and encourage for all efforts that stimulate the reform in education, skill development, child welfare, women empowerment, preventing sexual harassment, ensuring availability of flexible working, life coaching, specialized workshops on subjects such as body positivity and mental health counselling and strengthen the existing setups formed for these purposes.
- c. The Company aims to promote complete social inclusion of woman and children through the work of its subsidiaries/ associates/ partners/ grantees. The Company also aims to add value to its donor's/ grantees' work by providing technical expertise, capacity building, helping create alliances, helping scale up and create a sustainability plan with visible impact.
- d. The Company aims to manufacture, market goods and services for women, including but not limited to female hygiene products, birth control products, products & services for diagnosis, testing, prevention, treatment or control of any diseases that affect women. It also aims to provide affordable products or services in general for health care of women and is working towards economic empowerment of women and their families; preventing or reducing harassment of any kind, including but not limited to dowry harassment, sexual harassment, gender-based inequality, human trafficking or violence on women.
- e. The Company also aims to encourage and support for charitable purposes relating to relief to the poor, provision of medical relief, preservation of environment through initiatives directed towards biodiversity, conservation of resources, renewable energy and ecological balance and preservation of monuments or places of artistic or historic interest including socio-economic development.
- f. The Company aims to work towards the inclusion of the underprivileged sections of the Society in the mainstream, with special focus on the women and children and promote inclusive growth.

2. Basis of preparation

i) Statement of compliance:

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

iv) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023.

The Rules predominantly amend Ind AS 12 - Income taxes, Ind AS 8 - Accounting policies, changes in accounting estimates and errors and Ind AS 1 - Presentation of financial statements.

The amendment in Ind AS 1 requires entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explains how to identify when accounting policy information is material. It is further clarified that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

The amendment in Ind AS 8 clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendment in Ind AS 12 requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. Summary of significant accounting policies:

a) Donation

Donations received with restrictions as to use are recognised in the Statement of Income and Expenditure account as income in the year of utilisation and as at balance sheet date, the unutilised amount is represented by 'Restricted funds'. These donations are subject to certain restrictions set out by the contributor and agreed upon by the Company when accepting the contribution. Donations received for which there are no restrictions as to use are recognised in the Statement of Income and Expenditure account as income in the year of receipt.

Donations received with stipulation as to corpus are credited to corpus fund in the Balance Sheet. Such donations are transferred to Statement of Income and Expenditure as per the direction of the management for carrying out the activities of the Company. Interest income generated from assets held in corpus fund is also credited to corpus fund.



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

b) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

c) Current / Non – Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

d) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Income and Expenditure.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

e) Earnings per share

Basic earnings per share is computed by dividing the excess of income over expenditure for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the excess of income over expenditure for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.



Nykaa Foundation**(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)**

Notes to Financial Statements for the period June 08,2022 to March 31, 2023

Note 4: Cash and Cash Equivalents

Particulars	As at March 31, 2023
Balances with Banks	-
In Current Accounts	3.50
Total	3.50

NOTE : 5**5.1 SHARE CAPITAL****(i) Authorised Share Capital**

Particulars	As at March 31, 2023
10,00,000 Equity shares of Rs. 10/- each	100.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval.

(ii) Issued,Subscribed & Paid up Share Capital

Particulars	As at March 31, 2023
10,000 Equity Shares of Rs. 10/- each fully paid up	1.00

5.1 Reconciliation of Shares outstanding at the beginning and at the end of the Reporting period

At the beginning of period	
No. of Shares	-
Amount (Rs.)	-
Add:Shares issued	
No. of Shares	10,000
Amount (Rs.)	1.00
At the closing of period	
No. of Shares	10,000
Amount (Rs.)	1.00

5.2 List of shareholders holding more than 5% Shares in the Company

Particulars	As at March 31, 2023	
	No of Shares	%
FSN E-Commerce Ventures Limited	9,993	99.93%

5.3 Shares held by Holding Company

Shareholding of Promoters as at March 31, 2023

Particulars	As at March 31, 2023	
	No of Shares	%
FSN E-Commerce Ventures Limited	9,993	100.00%

5.4 The Company has not issued any shares for consideration other than cash during the period of five year immediately preceding the reporting date



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Notes to Financial Statements for the period June 08,2022 to March 31, 2023

Note 6: Other Equity

Particulars	As at March 31, 2023
Retained Earnings	-
Opening Balance	-
Add: Excess of income over expenditure	-
Closing Balance	-

Note 7: Other Financial Liabilities

Particulars	As at March 31, 2023
Financial Liabilities at amortised cost	
Accrued expenses	1.50
Advance against Expenses	1.00
Total	2.50

Note 8: Donation

Particulars	For the period June 08, 2022 to March 31, 2023 (Refer note 16)
Unrestricted Donation	125.09
Total	125.09

Note 9: Other expenses

Particulars	For the period June 08, 2022 to March 31, 2023 (Refer note 16)
Bank Charges	0.00*
Auditors remuneration :	-
- Audit fees	0.50
- Taxation Matters	0.50
Legal and professional fees	0.50
Total	1.50

*Numbers are below lakhs under the rounding off conventions adopted by the Company and accordingly not reported.

Note 10**Basic & diluted earnings per share**

Particulars	For the period June 08, 2022 to March 31, 2023 (Refer note 16)
Nominal value of per equity share	10/-
Excess of income over expenditure as per statement of income and expenditure (A)	-
Excess of income over expenditure attributable to equity shareholder	-
Total number of shares outstanding during the year	10,000.00
Weighted average number of equity shares outstanding during the year (B)	10,000.00
Basic earnings per share	-
Diluted earnings per share	-



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Notes to Financial Statements for the period June 08,2022 to March 31, 2023

Note 11

Related party transactions

A. Names of the related parties

Names of related parties have been disclosed where the transaction exists

Relationship	Name of entity
Holding Company	FSN E-Commerce Ventures Limited
Fellow Subsidiary	Nykaa E-Retail Private Limited Nykaa-KK Beauty Private Limited

B. Transactions with Related party

Nature of Transaction	Nykaa E-Retail Private Limited	FSN E-Commerce Ventures Limited	Nykaa-KK Beauty Private Limited	Total
Donation received	75.65	45.18	4.26	125.09

Note 12

Financial Instruments by Category and Fair Value Hierarchy

The fair values of assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values: The carrying values of financial assets i.e. cash and cash equivalents and other financial liabilities are reasonable approximation of their fair values due to the short maturities of these instruments. The Company does not have any financial assets and financial liabilities carried at fair value through profit and loss ('FVTPL') and fair value through other comprehensive income. There are no financial assets and liabilities that are required to be disclosed in level 1 and level 2.

Particulars	Carrying value As at March 31, 2023
Financial Assets:	
Amortised cost	
Cash and cash equivalents	3.50
Total	3.50
Financial Liabilities:	
Amortised cost	
Other financial liabilities	2.50
Total	2.50

The carrying values of the financial assets and liabilities measured at amortised cost are reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and liabilities have not been disclosed separately.

Note 13

Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise other financial liabilities. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise cash and bank balance that derive directly from its operations.

The Company is exposed to financial risk i.e. liquidity risk. The Company's senior management team oversees the management of this risk.



Nykaa Foundation

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Liquidity risk

Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks. Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Carrying value	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2023					
Other financial liabilities	2.50	2.50	-	-	2.50
Total	2.50	2.50	-	-	2.50

Note 14

Ratios

SN.	Ratio	Numerator	Denominator	March 31, 2023
1	Current ratio	Current assets	Current liabilities	1.40
2	Debt equity ratio	Total debt	Shareholder's equity	-
3	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0%
4	Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	-
5	Net profit ratio	Net Profit	Net sales = Total sales - sales return	-
6	Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	0%

Note 15

Statutory Information

1. The Company does not have any transactions with companies struck off.
2. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
3. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
4. The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
5. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Nykaa Foundation
(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 16

Previous year's figures

The Company has been incorporated on June 08, 2022 and accordingly, these are the first financial statements of the Company. Accordingly, the corresponding figures for immediately preceding financial year are not available.

As per our report of even date
For **V. C. Shah & Co.**
Chartered Accountants
ICAI Firm Registration No. 109818W



A. N. Shah
Partner
Membership No. 042649

Date: May 19, 2023

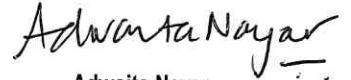


For and on behalf of the Board of Directors of
Nykaa Foundation



Sanjay Nayar
Director
DIN : 00002615

Date: May 19, 2023



Adwaita Nayar
Director
DIN : 07931382

Date: May 19, 2023

